

Members

Sen. Patricia Miller, Chairperson
Sen. Gary Dillon
Sen. Beverly Gard
Sen. Marvin Riegsecker
Sen. Vaneta Becker
Sen. Connie Lawson
Sen. Ryan Mishler
Sen. Earline Rogers
Sen. Connie Sipes
Sen. Vi Simpson
Sen. Sue Errington
Rep. Charlie Brown, Vice-Chairperson
Rep. Peggy Welch
Rep. John Day
Rep. Craig Fry
Rep. Phil Hoy
Rep. Carolene Mays
Rep. Scott Reske
Rep. Timothy Brown
Rep. Suzanne Crouch
Rep. Richard Dodge
Rep. David Frizzell
Rep. Don Lehe



HEALTH FINANCE COMMISSION

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Authority: IC 2-5-23

MEETING MINUTES¹

Meeting Date: July 30, 2007
Meeting Time: 10:00 A.M.
Meeting Place: State House, 200 W. Washington St.,
Senate Chamber
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Sen. Patricia Miller, Chairperson; Sen. Gary Dillon; Sen. Beverly Gard; Sen. Vaneta Becker; Sen. Connie Lawson; Sen. Ryan Mishler; Sen. Earline Rogers; Sen. Connie Sipes; Sen. Sue Errington; Rep. Charlie Brown, Vice-Chairperson; Rep. John Day; Rep. Craig Fry; Rep. Phil Hoy; Rep. Scott Reske; Rep. Timothy Brown; Rep. Suzanne Crouch; Rep. David Frizzell.

Members Absent: Sen. Marvin Riegsecker; Sen. Vi Simpson; Rep. Peggy Welch; Rep. Carolene Mays; Rep. Richard Dodge; Rep. Don Lehe.

Sen. Patricia Miller, Chairperson, called the first meeting of the Health Finance Commission to order at 10:05 a.m.

Sen. Miller discussed potential meeting dates for subsequent meetings of the Commission and the possibility of holding one meeting in Gary. After some discussion on availability, dates were determined to be August 15, 2007; September 10, 2007; October 2, 2007, in Gary; and October 29, 2007.

Sen. Miller called on LSA staff to review the assignments for the Commission for the interim session (See Exhibit #1). Discussion followed with regard to whether additional funding should be requested from the Legislative Council in order for the Commission to cover the substantial

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

list of topics assigned. It was decided to wait to determine if this would be necessary. Sen. Miller asked Commission members for additional issues they wished to address during the interim session.

Update on Indiana Check-up Program - Jessaca Turner-Stults, FSSA Legislative Director

Ms. Stults introduced Jeff Wells, M.D., Director of the Office of Medicaid Policy and Planning (OMPP). She reviewed some aspects of HEA 1678-2007 and reported that FSSA is currently negotiating the Medicaid waiver for the Healthy Indiana program with the Centers for Medicare and Medicaid Services (CMS). She reported that CMS has determined they will not allow the plan enrollment to be done through the insurance providers, so FSSA will need to contract with an enrollment broker as is done in the Hoosier Healthwise program. Ms. Stults testified that FSSA started the state bidding process for the program five days after the authorizing legislation passed (See Exhibit #2). She reported that there were four respondents to the RFS and that the agency expects to select two to four providers during August with applications to be taken in December and benefits starting in January of 2008. Ms. Stults commented that the agency is developing the necessary state plan amendments, rules, policies, and marketing programs to implement the program.

Questions and discussion followed regarding the identity of the contract bidders; the status of the Medicaid expansion covering pregnant women from 150% to 200% of the federal poverty level (FPL); the expansion of the Children's Health Insurance Program (CHIP) from 200% to 300% of FPL; and what specific details of the program must be approved by CMS.

Ms. Lawren Mills, policy director from the Governor's office, commented that since the passage of the legislation, CMS has been changing requirements weekly. She reported on the progress made in developing a marketing plan for IN Check-up. Marketing activities are being concentrated on educating providers and the legislature first. An advertising campaign to rollout information for the public is planned to include a targeted letter campaign for CHIP parents and a media campaign for the general public. She stated that the program has a website and e-mail address and that telephone numbers for inquiries are live and manned.

More questions and discussion followed with regard to the name of the program - the slide presentation used the name Healthy Indiana while the enabling legislation refers to Indiana Check-up. FSSA staff was requested to advise the Commission of bidders for Indiana Check-up or provide a specific code cite authorizing the agency to withhold this information. Sen. Miller commented that the Commission will hear more updates on the IN Check-up program throughout the interim session.

Jeff Wells, M.D., reported that FSSA has put together a work group to look at the impact of the IN Check-up program on the Hoosier Assurance Plan (HAP) within the Division of Mental Health and Addiction since IN Check-up requires mental health services parity and HAP financial eligibility will fall within those of the new program. This work group is also looking at how the HAP program is currently financed as the intergovernmental transfers that now provide some funding will not be available to the state after May 2008 due to federal rule changes.

Update on Federal Farm Bill - Jessaca Turner-Stults, FSSA Legislative Director

Ms. Stults discussed the federal farm bill, which includes a prohibition of the privatization of eligibility caseworkers for the federal Food Stamps program. She reported that if the bill passes, the state could incur costs of \$100 M to \$125 M to cancel the IBM contract. Ms. Stults reviewed the reasons that the administration decided to pursue modernization of the eligibility

functions and the cost shifts made as a result of that decision (See Exhibit #3).

Discussion followed on the status of filled child welfare caseworker positions and turn-over statistics as well as the status of the reauthorization of the federal CHIP program.

Regulation of Methadone Clinics - John Viernes, Deputy Director, Division of Mental Health and Addiction, FSSA

Mr. Viernes distributed a comparison of Indiana statutes to those of surrounding states (See Exhibit #4) and a copy of the report required by SEA 450-2007 (See Exhibit #5 also at <http://www.in.gov/legislative/igareports/agency/reports/FSSA67.pdf>). Mr. Viernes reviewed background information regarding the reason for the report and reported that with the exception of certain statutory requirements, the Indiana methadone clinic regulations generally follow the federal regulatory requirements. He highlighted information included in the report (See Exhibit #6).

Commission questions and discussion followed regarding efficacy of the clinic programs and why Indiana has so many out-of-state patients using the clinics. Sen. Miller requested recommendations from the Division with respect to the protocols for take-home medications and emphasizing the phaseout of methadone as an alternative addiction.

LSA Program Reports - Karen Firestone, Audit Leader, Office of Fiscal and Management Analysis

Ms. Firestone reviewed the methodology used and the format of the Program Inventory for the Indiana State Department of Health prepared by the Legislative Services Agency for the Health Finance Commission (See Exhibit #7). The Program Inventory was mailed to the Commission members and is also available on the General Assembly website at <http://www.in.gov/legislative/pdf/ProgramInventoryIDOH.PDF>.

Ms. Firestone also reviewed the methodology used to compile the Survey of the Status of Inmate Health in the State Prison System. This report was mailed to the Commission members and is also available on the General Assembly website at <http://www.in.gov/legislative/pdf/InmateHealth.PDF>.

Commission discussion followed regarding potential follow-up information related to assessing the quality of services provided and policies relating to the administration and provision of medications for the mentally ill housed within the prison system.

There being no further business to come before the Commission, the meeting was adjourned at 12:10 p.m.

The next meeting of the Health Finance Commission will be Wednesday, August 15, 2007, at 1 p.m. in the Senate Chamber of the State House.